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EXAMINER	
LUDWIG, PETER L	
ART UNIT	PAPER NUMBER
3621	

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
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Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary	Application No.	Applicant(s)	
	10/628,583	LABROU ET AL.	
	Examiner	Art Unit	
	Peter L. Ludwig	3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *01 April 2004*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-31* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-31* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☒ The specification is objected to by the Examiner.

10)☒ The drawing(s) filed on *29 July 2003* is/are: a)☒ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Specification

1. The disclosure is objected to because of the following informalities: in ¶ [0003]-[0004] the applicant must insert the proper information in the blank spaces provided by the applicant.

Appropriate correction is required.

Claim Rejections - 35 USC § 112

2. The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

3. Claim 1, 10, 14-15, 17, and 18-31 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

4. As per claim 1, the phrase "independently" is vague and indefinite because applicant does not distinctly point out whom the second party is independent from, is it independent from the third party, first party, or from all of said parties?

5. As per claim 1, the applicant claims what happens when the conditions are satisfied, but leaves the logic open-ended because the Examiner does not know what happens when the conditions are not satisfied. Examiner deems the claim vague and indefinite.

6. As per claim 1, the phrase "receiving the first view of the agreement and the second view of the agreement" and "a first party generating a first view of the agreement and transmitting the first view of the agreement to the third party" is deemed vague and indefinite because the first and third parties are not connected directly. Examiner is unsure on how the information is being

passed to the third party from the first party. Are the first and second views sent together from the merchant? Are they sent at different times? Does the consumer directly send the view to the third party?

7. As per claim 10, the phrase "secure transaction server supplies a token as confirmation of payment" is deemed vague and indefinite because it is unclear as to whether the token is being transferred from the server to the merchant to the consumer or directly to the consumer, or not to the consumer at all.

8. Regarding claims 14-15, 25-26 and 31, the phrase "including but not limited to" renders the claim(s) indefinite because the claim(s) include(s) elements not actually disclosed (those encompassed by "including but not limited to"), thereby rendering the scope of the claim(s) unascertainable. See MPEP § 2173.05(d).

9. As per claim 17, the Examiner is unclear whether or not both the merchant and customer provide account information to the secure server or whether the customer or merchant provides this information.

10. As per claims 18-31, the claims are directed towards a system, but the claim terminology would be consistent with a method claim. The words such as "selecting, obtaining, authorizing, verifying, causing, and issuing" should all be in method claims. Examiner is deeming these vague and indefinite because it is unclear which statutory class applicant is trying to portray. The claims will be examined as system claims; thereby ensuring the structure of each claim is covered by the prior art reference.

Claim Rejections - 35 USC § 101

11. 35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

12. Claims 18-31 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claims are directed towards a system, but the claim terminology would be consistent with a method claim. The words such as "selecting, obtaining, authorizing, verifying, causing, and issuing" should all be in method claims. Examiner is deeming these vague and indefinite because it is unclear which statutory class applicant is trying to portray. The claims will be examined as system claims; thereby ensuring the structure of each claim is covered by the prior art reference.

Therefore, in the instant application, the claims 18-31 are rejected as trying to claim two statutory classes (system and method) or otherwise known as a "hybrid claim".

Claim Rejections - 35 USC § 103

13. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

14. Claims 1-20, 24, 29 and 31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kuroda et al. (U.S. Patent No. 6,470,448)[hereinafter Kuroda] in view of Husemann et al. (U.S. Publication No. 2001/0037264 A1)[hereinafter Husemann].

15. As per claim 1, Kuroda clearly discloses a system for conducting an agreement between two parties relying on a trusted a third party comprising:

- **a first party generating a first view of the agreement and transmitting the first view of the agreement to the third party** (col. 2, lines 42-50);
- **a second party independently generating a second view of the agreement and transmitting the second view of the agreement to the third party** (col. 2, lines 42-50);
- **a wireless network connecting the first party and the second party, and a wired or wireless network connecting the second party to the third party** (Fig. 1-2);
- **wherein the trusted third party, receiving the first view of the agreement and the second view of the agreement, verifying conditions including that the identities of the parties that transmitted the agreements and that the independent views of the**

agreement are consistent with each other and takes action to execute the agreement if the conditions are satisfied (col. 2, lines 51-69; col. 3, lines 3-11).

Kuroda teaches wherein the first party, second party and third party are connected via a "communication network such as the internet (col. 5, lines 59-60)," but **does not explicitly teach** wherein the communication network is wireless LAN connection point.

However, Husemann does teach the wireless LAN connection between the customer, merchant and server (¶ [0088]; While incorporating the Husemann reference, the Examiner is interpreting the carrier as the third party server, the merchant (45) as the merchant and the user as the user operating either the mobile phone or mobile computer).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the use of wireless technology with Reference A for the useful purpose of providing a network which allows customers to use their GSM phones in many countries, as taught by Husemann (¶ [0013]).

16. As per claim 2, Kuroda and Husemann clearly disclose the system as in claim 1 as described above. Kuroda further disclose **wherein the agreement pertains to the ordering and or purchasing of goods and services, the first party is a consumer, the second party is a merchant and the third party is a Secure Transaction Server entity** (Fig. 1; Examiner is interpreting element 2 as the consumer, element 3 as the merchant and element 1 as the secure transaction server entity).

17. As per claim 3, Kuroda and Husemann clearly disclose the system as in claim 2 as described above. Kuroda further discloses **wherein the generation of views by each party and**

the verification procedure is based on a secure, symmetric agreement verification protocol (col. 13, lines 44-59).

18. As per claim 4, Kuroda and Husemann clearly disclose the system as in claim 3 as described above. Kuroda further discloses **wherein the secure, symmetric agreement verification protocol is the Secure Transaction Protocol** (col. 13, line 44 – col. 14, line 28; Examiner is interpreting the fact that even though "Secure Transaction Protocol" is not explicitly stated, that the information provided in the reference deems it evident the protocol was in use within this reference).

19. As per claim 5, Kuroda and Husemann clearly disclose the system of claim 4 as described above. Kuroda further discloses the system comprising one or more payment service devices and wherein:

- **the first party comprises a consumer operating a mobile device with an associated identification number** (Fig. 6 – element (T, ID); col. 7, lines 54-65; Examiner is interpreting this T, ID of the transaction document as the number associated with the first party; Examiner is defining "mobile" as "able to move or to be moved about" as in the Academic Press Dictionary of Science and Technology);

- **the second party comprises a merchant operating a device with an associated identification number** (Fig. 6 – element (T, ID); col. 7, lines 54-65; Examiner is interpreting this T, ID of the transaction document as the number associated with the second party after sending this document into the third party secure server);

- **the third party operating a trusted secure transaction server device** (col. 2, lines 50-59);

- **the wireless communication network is in communication with the consumer device and the merchant device** (Fig. 1-2; col. 5, lines 59-60);

- **the wired or wireless communication network is in communication with the merchant device and the trusted secure transaction server device** (Fig. 1-2; col. 5, lines 59-60),

- **wherein the consumer device, the merchant device, and the trusted secure transaction server device are capable of executing the Secure Transaction Protocol** (col. 13, line 44 – col. 14, line 28; Examiner is interpreting the fact that even though "Secure Transaction Protocol" is not explicitly stated, that the information provided in the reference deems it evident the protocol was in use within each party).

Kuroda teaches wherein the first party, second party and third party are connected via a "communication network such as the internet (col. 5, lines 59-60)," but **does not explicitly teach** wherein the communication network is wireless LAN connection point.

However, Husemann does teach the wireless LAN connection between the customer, merchant and server (¶ [0088]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the use of wireless technology with Reference A for the useful purpose of

providing a network which allows customers to use their GSM phones in many countries, as taught by Husemann (¶ [0013]).

20. As per claim 6, Kuroda and Husemann clearly disclose the system of claim 4 as described above. Kuroda does not further teach **wherein the consumer is connected to the merchant via a wireless local area network**.

However, Husemann does teach the wireless LAN connection between the customer, merchant and server (¶ [0088]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the use of wireless technology with Reference A for the useful purpose of providing a network which allows customers to use their GSM phones in many countries, as taught by Husemann (¶ [0013]).

21. As per claim 7, Kuroda and Husemann clearly disclose the system of claim 6 as described above. Kuroda further discloses **wherein the consumer and the merchant do not trust each other and the wireless local area network is open and not secure and the secure transaction server is able to verify the identity of the agreement parties and purchase agreement details** (col. 2, lines 30-34).

As noted above, Kuroda does not teach wherein the consumer and merchant communicate via a wireless LAN network, only a "communication network such as the internet (col. 5, lines 59-60)."

However, Husemann does teach the wireless LAN connection between the customer, merchant and server (¶ [0088]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the use of wireless technology with Reference A for the useful purpose of providing a network which allows customers to use their GSM phones in many countries, as taught by Husemann (¶ [0013]).

22. As per claim 8, Kuroda and Husemann clearly disclose the system of claim 7 as described above. Kuroda further discloses **wherein the mobile device stores no personal identifying information about the consumer or account information of the consumer and such account information of the merchant and the consumer is stored in the trusted secure transaction server or is accessible by the secure transaction server** (Fig. 1; Examiner is interpreting this as reading exactly on the claimed subject matter - the server has a storage unit that stores the first and second user's data, but the first and second user's terminal do not have a storage unit, therefore not storing any data).

23. As per claim 9, Kuroda and Husemann clearly disclose the system of claim 8 as described above. Kuroda does not further teach the system **comprising one or more payment services which execute a payment upon direction of the trusted secure transaction server, wherein the trusted secure transaction server is in secure communication with one or more payment services, including online payment services, financial institutions, and credit card agencies, using a wired or wireless network and the trusted secure transaction server directs that**

payment be executed by the payment services upon validation of the purchase transaction by the trusted secure transaction server.

However, Husemann does disclose the system **comprising one or more payment services which execute a payment upon direction of the trusted secure transaction server** (¶ [0018] lines 10-14), **wherein the trusted secure transaction server is in secure communication with one or more payment services, including online payment services, financial institutions, and credit card agencies, using a wired or wireless network and the trusted secure transaction server directs that payment be executed by the payment services upon validation of the purchase transaction by the trusted secure transaction server** (¶ [0069] lines 15-23; ¶ [0078] lines 38-41).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the characteristics of the customer's ability to use the payment services with Reference A, for the useful purpose of crediting the merchant account with the amount due, as taught by Husemann (¶ [0097]).

24. As per claim 10, Kuroda and Husemann clearly disclose the system of claim 9 as described above. Kuroda clearly discloses **wherein consumer identifying information and merchant identifying information is stored only in the trusted secure transaction server** (Fig. 1; Examiner is interpreting this as reading exactly on the claimed subject matter - the server has a storage unit that stores the first and second user's data, but the first and second user's terminal do not have a storage unit, therefore not storing any data), **and, for authorization by the trusted secure transaction server, the merchant enters merchant identifying**

information into the merchant device and the consumer enters consumer identifying information into the consumer device (col. 2, lines 42-50).

25. As per claim 11, Kuroda and Husemann clearly disclose the system of claim 10 as described above. Kuroda clearly discloses **wherein the purchase transaction is for goods and services and the trusted secure transaction server supplies a token as confirmation of payment** (col. 7, lines 19-24).

26. As per claim 12, Kuroda and Husemann clearly disclose the system of claim 11 as described above. Kuroda does not further disclose **wherein the consumer presents the token to the merchant in order to consume a service**.

However, Husemann does teach **wherein the consumer presents the token to the merchant in order to consume a service** (¶ [0085]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time fo the invention to combine the sending of the token from the consumer to the merchant with Reference A, for the useful purpose of allowing the customer to confirm the order with the merchant, which to one of ordinary skill in the art, would be an advantage to not having this capability, as taught by Husemann (¶ [0085]).

27. As per claim 13, Kuroda and Husemann clearly disclose the system of claim 12 as described above. Kuroda clearly discloses **wherein only the trusted secure transaction server, and neither the merchant nor the consumer are able to observe details of the other's transaction or identity information** (Fig. 1; It is clear from looking at Fig. 1 that the information being passed on by the first and second user terminals cannot be passed to the other

terminal by means of the arrow, the arrows only go away from the terminals, they do not go back to the terminals).

28. As per claim 14, Kudora and Husemann clearly disclose the system of claim 13 as described above. Kudora further discloses **wherein the consumer may be required to authenticate himself to the consumer device, prior to using the device, by entering a personal identifying information, including but not limited to a PIN, password, or by providing biometric authentication, including, but not limited to a fingerprint or a voiceprint** (col. 6, lines 42-50; Examiner is interpreting this as reading exactly on broadly claimed subject matter, Examiner's reference teaches the registering of a party prior to being able to use such a device for a transaction).

29. As per claim 15, Kudora and Husemann clearly disclose the system of claim 14 as described above. Kudora does not further disclose **wherein the consumer only authorizes payment through an explicit command to their device, by entering a personal identifying information, including but not limited to a PIN, password, or by providing biometric authentication, including, a fingerprint or a voiceprint**.

However, Husemann does teach **wherein the consumer only authorizes payment through an explicit command to their device, by entering a personal identifying information, including but not limited to a PIN, password, or by providing biometric authentication, including, a fingerprint or a voiceprint** (¶ [0099]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine proper authorization for payment by the customer with Reference A, for

the useful purpose of inhibiting unauthorized usage of the mobile phone, as taught by Husemann (¶ [0091]).

30. As per claim 16, Kudora and Husemann clearly disclose the system of claim 15 as described above. Kudora does not clearly disclose **wherein the consumer can select from among financial accounts of the consumer from information stored at the trusted secure transaction server or accessible by the secure transaction server, in order to use the selected account for payment**.

31. As per claim 17, Kudora and Husemann clearly disclose the system of claim 16 as described above. Kudora further discloses **wherein the consumer and the merchant execute a registration process with the trusted third party by securely providing account information to the trusted secure transaction server and obtaining software to execute the Secure Transaction Protocol, and said registration procedure occurring prior to executing a purchasing transaction and said registration procedure includes providing account information and a unique identifier of the respective consumer operated device or merchant operated device and receive from the trusted secure transaction server device a personal identifying information, such as a PIN, to be only used with the respective consumer operated device or merchant operated device** (col. 1, lines 30-38; col. 6, lines 42-50).

32. As per claim 18, Kudora and Husemann clearly disclose the system of claim 17 as described above. Kudora further discloses wherein the conducting of purchase agreements, comprises:

- **discovering the merchant device by the consumer operating the mobile device** (col. 3, lines 3-5; Examiner is interpreting the fact that since the first and second users have agreed on the transaction, that the consumer has discovered the merchant device);
- **selecting, by the consumer, goods or services to purchase** (Fig. 6; col. 7, line 59; Examiner is defining "purchase" as "the acquiring of real property by any means other than descent or inheritance" as defined in the Merriam-Webster's Dictionary of Law);
- **verifying by a trusted secure transaction server, identities of the merchant and the consumer and details of the transaction** (col. 2, lines 51-59);
- **issuing, by the trusted secure transaction server, receipts to the consumer device and to the merchant device indicating success or failure of the transaction** (col. 7, lines 19-24).

Kudora does not teach **a)** obtaining, from the merchant device, a purchase order, **b)** authorizing, by the consumer, the payment for the purchase order through the consumer device **c)** causing, by the trusted secure transaction server, payment from the consumer to the merchant through a payment service.

However, Husemann does teach **a)** obtaining, from the merchant device, a purchase order (¶ [0085] lines 5-9), **b)** authorizing, by the consumer, the payment for the purchase order through the consumer device (¶ [0085] lines 9-14), **c)** causing, by the trusted secure transaction server, payment from the consumer to the merchant through a payment service (¶ [0012]).

33. As per claim 19, Kudora and Husemann clearly disclose the system of claim 18 as described above. Kudora does not teach **wherein the operator of the trusted secure transaction server collecting a fee for processing a transaction from one or more of the consumer, merchant, payment services, credit card issuers and financial accounts based on a fee for each transaction or on a percentage of transaction amount**.

Husemann does teach **wherein the operator of the trusted secure transaction server collecting a fee for processing a transaction from one or more of the consumer, merchant, payment services, credit card issuers and financial accounts based on a fee for each transaction or on a percentage of transaction amount** (¶ [0103]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the fee-based service with Reference A, for the useful purpose of providing consumers and businesses with an 'easy to understand and use' product/service that satisfies their and is easily accessible, as taught by Husemann (¶ [0103]).

34. As per claim 20, Kudora and Husemann clearly disclose the system of claim 18 as described above. Kudora does further disclose a network connecting the secure transaction server with the merchant operated device (Fig. 1).

Kudora does not disclose wherein the communication network is a secure network and wherein the merchant device operates the wireless LAN.

However, Husemann does teach **wherein the communication network is a secure network** (¶ [0100]) and **wherein the merchant device operates the wireless LAN** (Fig. 5; ¶ [0035]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the secure network with Reference A, for the useful purpose of bypassing the need to use encryption, as taught by Husemann (¶ [0100]).

It would have also been obvious to one of ordinary skill in the art at the time of the invention to combine the merchant operating the wireless LAN with Reference A, for the useful purpose of using the push feature of WAP to push a wireless markup language (WML) deck (script applet) to the customer's WAP-enabled GSM phone, instead of using a SIM application, as taught by Husemann (¶ [0086]).

35. As per claim 24, Kudora and Husemann clearly disclose the system of claim 18 as described above. Kudora does not teach wherein the merchant device executing a retail application and a secure transaction purchasing application, can execute the secure transaction application on a local device at the merchant location connected to the wireless local area network and a remote device connected via another network to the wireless local area network and the consumer device.

Husemann does teach **wherein the merchant device executing a retail application and a secure transaction purchasing application** (¶ [0100]), **can execute the secure transaction application on a local device at the merchant location connected to the wireless local area network and a remote device connected via another network to the wireless local area network and the consumer device** (Fig. 5; Examiner is interpreting Fig. 5 – element 45 as the merchants local device connected to the wireless LAN (element 44) and a remote device connected via another network (element 43 via 53)).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the secure transaction and the connection over the various wireless networks, for the useful purpose of carrying out the transaction (of ¶ [0060] – [0066]) via a mobile phone connected to a merchant and a trusted server, as taught by Husemann (¶ [0060]-[0066])

36. As per claim 29, Kudora and Husemann clearly disclose the system of claim 18 as described above. Kudora does not teach wherein the consumer can purchase a service, including a movie ticket, from the merchant using a mobile device; receive an electronic token as proof of payment; and the consumer can present the token to obtain the service using their mobile device, including a paperless e-ticket.

Huisemann does teach wherein the consumer can purchase a service, including a movie ticket, from the merchant using a mobile device; receive an electronic token as proof of payment; and the consumer can present the token to obtain the service using their mobile device, including a paperless e-ticket (¶ [0075]-[0078]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine this transaction system with Reference A, for the useful purpose of allowing for a quick transaction, as stated in Husemann "All of this can be done within minutes or even seconds (¶ [0078])."

37. As per claim 31, Kudora and Husemann clearly disclose the system of claim 18 as described above. Kudora does not teach wherein the Secure Transaction Server provides ancillary information from the payment services, including but not limited to, advertisements,

special interest rate for a particular purchase if a specific credit account is chosen for the attempted purchase, to the consumer in the response messages prior to the final purchasing authorization by the consumer.

Husemann does teach wherein the secure server provides information to the consumer regarding the payment services (¶ 0099; Examiner is interpreting the carrier as the server as described above). Not only does Husemann teach the sending of the online-bill, but along with the bill is the encryption information (¶ [0078]; Examiner is interpreting the "encryption" information of the online-bill as the ancillary information sent along with the online bill).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the secure server sending the payment services information and ancillary information with Reference A, for the useful purpose of, in this instant case, of providing encryption techniques to the information contained in the message. To one of ordinary skill in the art, this is an advantage to ensure the material in the electronic document is only viewed by who it is meant to be viewed by, as taught by Husemann (¶ [0078]).

38. Claims 21-23, and 25-26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kuroda in view of Husemann and Deshpande et al. (U.S. Publication No. 2002/0176579 A1).

39. As per claim 21, Kudora and Husemann in combination clearly disclose the system of claim 18 as described above. Kudora does further disclose a network connecting the secure transaction server with the merchant operated device (Fig. 1).

Kudora and Husemann in combination do not disclose wherein the communication network is a secure network and wherein the wireless local area network includes a hotspot accessible by a plurality of merchants and consumers and at which the consumer can select and access the merchant through the wireless local area network.

However, Husemann does teach **wherein the communication network is a secure network** (¶ [0100]).

Deshpande does teach **wherein the wireless local area network includes a hotspot accessible by a plurality of merchants and consumers and at which the consumer can select and access the merchant through the wireless local area network** (¶ [0019]; Fig. 4).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine with Kudora and Husemann the secure network, for the useful purpose of bypassing the need to use encryption, as taught by Husemann (¶ [0100]).

It would have also been obvious to one of ordinary skill in the art at the time of the invention to combine with Kudora and Husemann the hotspot access to a plurality of devices, for the useful purpose of providing location-based services using the wireless hotspot technology, as taught by Deshpande (¶ [0010]).

40. As per claim 22, Kudora and Husemann in combination clearly disclose the system of claim 18 as described above. Kudora and Husemann in combination do not further teach **wherein the wireless local area network includes a hotspot accessible by a plurality of merchants and consumers and at which the consumer can select and access the merchant through the wireless local area network and a directory**.

However, Deshpande does teach **wherein the wireless local area network includes a hotspot accessible by a plurality of merchants and consumers and at which the consumer can select and access the merchant through the wireless local area network and a directory** (¶ [0019]; Fig. 4).

Therefore, it would have also been obvious to one of ordinary skill in the art at the time of the invention to combine with Kudora and Husemann the hotspot access to a plurality of devices, for the useful purpose of providing location-based services using the wireless hotspot technology, as taught by Deshpande (¶ [0010]).

41. As per claim 23, Kudora and Husemann in combination clearly disclose the system of claim 18 as described above. Kudora does further teach wherein the server, first party and second party are all in contact with each other via a communication network (Fig. 1). Kudora and Husemann in combination do not teach wherein the wireless local area network includes a hotspot accessible by a plurality of merchants and consumers and at which the consumer can select and access the merchant through the wireless local area network, and wherein the merchant device, the consumer device, and the trusted secure transaction server are in communication with each other via the hotspot.

Deshpande does teach **wherein the wireless local area network includes a hotspot accessible by a plurality of merchants and consumers and at which the consumer can select and access the merchant through the wireless local area network, and wherein the merchant device, the consumer device, and the trusted secure transaction server are in communication with each other via the hotspot** (¶ [0019]; Fig. 4).

Therefore, it would have also been obvious to one of ordinary skill in the art at the time of the invention to combine with Kudora and Husemann the hotspot access to a plurality of devices, for the useful purpose of providing location-based services using the wireless hotspot technology and to provide a means of communication between the devices, as taught by Deshpande (¶ [0010]).

42. As per claim 25, Kudora, Husemann and Deshpande in combination clearly disclose the system as in any one of claims 19, 20, 21, 22, 23, and 24 as described above. Kuroda further discloses **wherein the merchant device is connected to the trusted secure transaction server via the Internet** (¶ [29) **using additional security** including but not limited to **the secure socket layer (SSL) or a Virtual Private Network** (¶ 115).

43. As per claim 26, Kudora, Husemann and Deshpande in combination clearly disclose the system as in any one of claims 19, 20, 21, 22, 23, and 24 as described above. Kuroda does not teach wherein the trusted secure transaction server is connected to one or more payment services through a secure network or through the Internet using additional security including but not limited to the secure socket layer (SSL) or a Virtual Private Network.

However, Husemann does teach **wherein the trusted secure transaction server is connected to one or more payment services through a secure network or through the Internet using additional security including but not limited to the secure socket layer (SSL) or a Virtual Private Network** (¶ [0078] and [0099]-[0100]; Fig. 6-7).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine the use of an online payment service connecting the secure server with the

consumer using an element of security with Reference A, for the useful purpose of allowing the ease of the internet to pay for a bill, along with securing the information being passed for the payment to ensure the information is not seen by as outsider, as taught by one of ordinary skill in the art. Also, for the useful purpose of allowing the customer to deal with an organization he is already familiar with (the carrier) and which serves as a neutral third party (in most cases). The merchant on the other hand deals with a known organization as well (again, the carrier) and can rely on the customer being verified and probably even having a certain credit limit granted by the carrier, as taught by Husemann (¶ [0099]).

44. Claims 27-28 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kuroda in view of Husemann and Dievondorff et al. (U.S. Patent No. 5,465,328) [hereinafter Dievondorff].

45. As per claim 27, Kudora and Husemann in combination clearly disclose the system of claim 18 as described above. Kudora and Husemann in combination do not teach where a consumer can request that the Secure Transaction Server disable the device and thereby not permitting further transactions for that device with the current personal identification information.

Dievondorff does teach **where a consumer can request that the Secure Transaction Server disable the device and thereby not permitting further transactions for that device with the current personal identification information** (col. 7, lines 56-66).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine with Kudora and Husemann the request of disablement of the device, for

the useful purpose retaining the ATM accessing card so the card cannot be used by any outsiders, as taught by Dievondorff (col. 7, line 62).

46. As per claim 28, Kudora and Husemann in combination clearly disclose the system of claim 18 as described above. Kudora and Husemann in combination do not teach where the Secure Transaction Server can detect and disable a consumer account if there are multiple attempts to authorize a payment with incorrect personal identifying information.

Dievondorff does teach where the Secure Transaction Server can detect and disable a consumer account if there are multiple attempts to authorize a payment with incorrect personal identifying information (col. 7, lines 56-66).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine Kudora and Husemann the disablement of a consumer account after several invalidate PIN attempts, for the useful purpose of safeguarding against intruders trying to access an account with a trial and error method of attacking the PIN, as taught by one of ordinary skill in the art.

47. Claim 30 is rejected under 35 U.S.C. 103(a) as being unpatentable over Kuroda in view of Husemann and Blair (U.S. Publication No. 2001/0034670).

48. As per claim 30, Kudora and Husemann in combination clearly disclose the system of claim 18 as described above. Kudora and Husemann in combination do not teach where the transaction is a return of goods and services from the consumer to the merchant and the secure transaction server will cause payment from the merchant to the consumer.

However, Blair does teach **where the transaction is a return of goods and services from the consumer to the merchant and the secure transaction server will cause payment from the merchant to the consumer** (¶ [0024]).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to combine with Kudora and Husemann the return of goods/services from the consumer to the merchant causing a transfer of funds in the opposite direction, for the useful purpose of providing the customer with satisfaction, as taught by Blair (¶ [0024]), thus causing them to do business with the certain entity again.

Examiner Note

49. Examiner has cited particular columns and line numbers in the references as applied to the claims above for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may be applied as well. It is respectfully requested from the applicant, in preparing responses, to fully consider the reference in its entirety as potentially teaching all of part of the claimed invention as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Conclusion

50. This Office Action, the "First Non-Final Office Action" is given Paper No. 20070226.

51. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Peter L. Ludwig whose telephone number is 571-270-1365. The examiner can normally be reached on Mon-Fri 7:30-5:00, 1st Fri. Off, 2nd Fri.7:30-4:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Andrew Fischer can be reached on 571-272-6779. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

3/5/07

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